



MONTANA

Manufacturer / Distributor / Route Operator License Application

**This booklet contains all the forms and instructions for applying for a
Manufacturer/Distributor/Route Operator License.**

Also available on our website.

www.doj.mt.gov

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Return to:

Montana Department of Justice
Gambling Control Division
2550 Prospect Ave. - P O Box 201424
Helena, MT 59620-1424



Phone: (406) 444-1971
Fax: (406) 444-9157
www.doj.mt.gov



Notice To Applicant

See instructions in this booklet before completing the application.

When filling out this application, complete the form in its entirety. The application must be completed in any ink (except red) or be typewritten. Delay, denial or the return of the application will result if incomplete. The information in this application is meant to assist you in completing this application. It is not a substitute for a careful examination of the gambling/liquor laws, rules and the rights or obligations arising out of applying for gambling licensure, or for seeking, where individual circumstances warrant, the independent advice of an attorney.

Once the application is completed, submit the original application and all required documents to the above address.

This application is also available on the website at www.doj.mt.gov

Processing an application generally takes three to four months based upon the Department's determination of receipt of a complete application and no deficiencies are received. You will be notified by the Gambling Control Division (DOJ) Licensing Section upon receipt of your application and given a contact name. You will be notified when a decision regarding the application has been made.

Guide to the Manufacturer/Distributor/Route Operator License Application

This Guide is provided as a supplement to the Manufacturer/Distributor/Route Operator License Application to assist applicants in understanding the application and to answer commonly asked questions related to requirements for gambling licenses. The information in this guide is meant to assist in the completion of the application but is not meant to be a substitute for careful examination of the gambling laws and regulations.

Who do I talk to about my application?

During the period that your application is being processed all questions should be directed to the Gambling Control Division. At the time your application is reviewed, you will be contacted by the Gambling Control Division and informed if additional information is needed or if the application is complete. At that time you will be provided with the name of the person who will be processing the application. If for some reason you do not have the name of a contact, call the Gambling Control Division at 444-1971.

Am I ready to get started with an application?

The State of Montana has laws that restrict and limit who can own and control gambling licenses. Ownership and control of a license can include persons who lend you money, rent buildings or equipment or have management contracts. If you plan to involve other persons in your business through loans, leases, management contracts or other arrangements, you need to have those arrangements worked out at the time you make your application. Anyone that you associate with who may have an ownership interest or control of the license will have to meet all of the legal requirements to hold a gambling license. You will need the documents that reflect these relationships (leases, loan agreements, corporate documents etc.) to complete this application.

How do I go about filling out the application?

You need to submit one original signed and notarized application to the Gambling Control Division. If you would rather fill out the application on your personal computer the form is available on the Gambling Control Division website (www.dojmt.gov). All gambling related laws and rules are also available at this website. You cannot e-mail or electronically send the completed form; you must print the form and send it along with the required documents and fees to:

Montana Department of Justice
Gambling Control Division
2550 Prospect Ave. – P.O. Box 201424
Helena, Montana 59620-1424

Fingerprint Card

Effective 10/01/03 a properly completed fingerprint card must be completed and returned to this office. The individual can take the card to a local law enforcement agency or to the Montana Department of Justice ID Bureau or fingerprinting. (It should be noted that some law enforcement agencies charge a fee for this service.) Upon completion, a \$34.00 processing fee will be assessed. Please attach a check in the amount of \$34.00 payable to the "Gambling Control Division". If you have any questions, please contact the Gambling Control Division, Licensing Section.

Please do not return this guide with your application documents as it is designed for your use only.

Page 1

Fee Schedule/Type of License Applying For

Which fees do I have to pay?

This page is designed to allow each applicant to mark the fees that may apply to their application.

The processing of a gambling application is the actual cost of processing the application. Gambling collects an initial fee with the application and collects the balance prior to any license and permit being issued. If the fee covers the actual cost of processing the gambling application, the balance is refunded to the applicant. There is a flat license fee for Manufacturer/Distributor/Route Operator License.

How do I calculate how much I will pay?

You write one check made payable to the "Gambling Control Division." Follow these steps:

- Transfer the amount of the appropriate processing fee to the line "1".
- Enter on line "2" the appropriate license fee,
- Total the amount(s) you have entered, double check the total and
- Write a check to the Gambling Control Division for the total and staple it to this page when you have completed the application.

When can I use the "Amended application?"

An Amended application is required when:

- There is a change among existing corporate shareholders, existing LLC/LLP members, or existing partners.
- Increasing or decreasing shares owned by a corporation
- The death of the licensee and an appointment of a personal representative of the estate.
- There is a change in premise location.
- The business entity "type" has changed (i.e. corporation to a partnership).

Page 2

Purpose of Application and General Information

Why is it important that I get the information right in Section I?

Your gambling license will be generated from the information you provide in this section. This information is important because it is how the licenses will be issued. Mailing address must be correct because all mail from the Division will be sent to the address listed on the application.

What is the difference between a trade name and an applicant name?

The "trade name" is the "DBA" (doing-business-as assumed business name must be filed with the Secretary of State) or name you call your business. The applicant name represents the legal holder of the license. [i.e., corporation name, individual name, partnership name, etc.] Your trade name is also the name that normally appears on the sign advertising your business.

What address should I use?

The address is the physical address where the business is located. For the premise list the actual street address for the business and for the mailing address list where you want the mail from both divisions to be sent.

Page 2

Ownership Information

Who would be considered a manager?

A manager is a person employed or authorized by the licensee to supervise personnel and business functions of the license operation.

What if I am the sole proprietor, shareholder, partner, etc. – do I need to be reported as the manager and file a management agreement?

No. You already have the authority to run your own business. However, if you have an “entity” owned license [i.e., corporation, partnership], a reference should be made in your organizational documents or minutes that you will function as the manager.

What will this information be used for?

This is to ensure that all ownership interest is correctly reported to the department. This will help the department to determine if all ownership interest and liabilities have been reported to us about your business. It also allows us to know who is authorized to sign documents for the business.

Pages 5 – 10

Financial Information

What is a financial or ownership interest?

You have a financial or ownership interest in a business if you or any person shares in the profits, losses and liabilities of the business. This includes co-borrowers on applicant loans, persons whose assets are cross collateralized with those of the applicant, persons who may be found in default under an obligation if the applicant defaults under a related agreement and vice versa (cross defaults) and franchise fee recipients or any other person with an interest in a percentage of the applicant's sales or income, (this is not an all inclusive list just an example of a few). This does not include route operator's who by statute may receive a percentage of gross video gambling machine income or a fixed fee for leasing machines to the license applicant.

Why do you want to know about equipment and fixture leases?

This is to make sure the leases do not give an ownership interest to the lessor or any other person or entity.

What is an NIL form and why do I need one?

A Noninstitutional Loan (NIL) form is used to report any loan from someone other than a state or federally regulated financial institution or to report a monetary gift or the transfer of a security interest. [Example: A shareholder wants to lend money to the corporation that owns the license. The corporation would file an NIL form for that loan.]

Why do I have to report funds that I loaned to the licensed business when I am a shareholder/member/partner?

The Division is careful to examine “all” liabilities of the licensee in order to safeguard the integrity of the issued Gambling License.

What does “Gifting” mean?

A licensee may receive funds from a noninstitutional source of financing lender who does not require those funds to be repaid nor expects any other thing of value in return. It is important that the noninstitutional source of financing also provide a signed “Gifting Statement” declaring the above agreement.

Page 13
Declaration and Affidavit

Who can sign?

Depending on how you are applying (i.e. individual, corporation, partnership, LLC, LLP, or nonprofit) one of the person(s) listed under Section II, “C” is considered an authorized representative and may sign the application in the presence of a notary.

Closing

It is important to understand that supplying the information requested does not guarantee approval of the license application. At this time, we are simply gathering information needed to continue processing the paperwork. Until a determination has been made, any expenses you may incur prior to receiving approval of your license application should be considered at your own risk. All approvals are based on true and accurate information supplied in this application and any supporting documents associated with it. You will be notified when a decision regarding the application has been made.

State of Montana
Manufacturer/Distributor/Route Operator License Application

**Licensing
Fee Schedule**

Gambling License

- 1. Processing Fee: \$1,000**
- 2. License Fee: \$1,000**

Note: A new gambling licensee application is subject to a processing fee to cover the actual cost of conducting a background investigation to determine whether an applicant qualifies for licensure.

Based on the actual cost incurred by the Gambling Control Division in processing the license, the division will refund any overpayment of the fee or collect an amount sufficient to reimburse the division for any underpayment of actual costs. The Division will provide the applicant with an itemized accounting of expenses.

Office Use Only

License No.: _____
Check No.: _____
Fee Paid: _____
Additional Fees: _____
Refund: _____

Enter the amount due from the corresponding schedules above.

1. License Processing Fee \$ _____
2. License Fee \$ _____

Total \$ _____

Staple Payment Here

Make payment payable to the "Gambling Control Division"

Check The Appropriate Boxes To Designate The Purpose Of This Application

☐ **New Gambling License Application**

(An owner of an interest in a licensed gambling operation may not transfer an interest in the operation to a stranger to the license until a new gambling license application reflecting the proposed transfer is submitted to the department and the department approves the transfer.)

Type of license applying for:

- ☐ Electronic Live Bingo/Keno Equipment Manufacturer
- ☐ Video Gambling Machine Manufacturer
- ☐ Video Gambling Machine Distributor
- ☐ Video Gambling Machine Route Operator
- ☐ Gambling Devices not legal in Montana

☐ **Amended Gambling License Application – (Note: No fee is required for this application)**

(An ownership interest in a licensed gambling operation may not be transferred to another owner or group of owners of an interest or interests in the same licensed gambling operation without submitting an amended gambling license application to the department and obtaining department approval.)

Type of license applying for:

- ☐ Electronic Live Bingo/Keno Equipment Manufacturer
- ☐ Video Gambling Machine Manufacturer
- ☐ Video Gambling Machine Distributor
- ☐ Video Gambling Machine Route Operator
- ☐ Gambling Devices not legal in Montana
- ☐ Existing Gambling License Change Among Existing Corporate Shareholder(s)
- ☐ Existing Gambling License Change Among Existing Partners or LLC/LLP Members
- ☐ Existing Gambling License Deletion of Owner(s)
- ☐ Existing Gambling Location Change Application
- ☐ Other - (Explain) _____

Section I

General Information

Print Or Type

Name of Applicant:
(Sole Proprietor/Partnerships/Corp./LLC/LLP)

Business/Trade Name:(Doing business as....assumed
business name must be filed with Sec. of State)

Mailing Address:
(Box or Street)

Address of Premise to be Licensed:
(Street)

City / State / Zip Code:

_____ / _____ / _____

Business Phone/Cell Phone:

() _____ / () _____

Business

Cell

Fax:

() _____

Federal Tax I.D.:

License Number
N/A if not applicable)

☐ Check if applied for
but not yet received.

Section II

Ownership Information

A. The applicant is a:

Check appropriate box

- ☐ **Individual(s) / Sole Proprietor(s); List all owners in Section II, Subsection "C."**
 - ☐ **Partnership; List all general and Limited Partners in Section II, Subsection "C."**
(Attach copy of Partnership Agreement; Newly Formed Partnerships - Copy of Application/Certificate for Registration of the Partnership filed with Sec. of State's Office, Existing Partnerships -Copy of Renewal of Partnership filed with Sec. of State's Office and Release of Information, (Form 1), in the partnership name.)
 - ☐ General
 - ☐ Limited
 - ☐ **Limited Liability Company, List of members in Section II, Subsection "C."**
(Attach a copy of the Articles of Organization as filed with the Montana Secretary of State's Office; organization minutes; a copy of the Certificate of Fact; and other member agreements and an Authorization for Examination and Release of Information, (Form 1), in the Company's name.)
 - ☐ **Corporation; List all shareholders, officers/directors) in Section II, Subsection "C."**
(Attach copy of Articles of Incorporation, By Laws, Certificate of Incorporation; Certificate of Existence or Authority to do Business in Montana; all organizational minutes; share issuance records; copies of share certificates and an Authorization for Examination and Release of Information, (Form 1), in the corporate name.)
- **Check Type of Corporation:**
- ☐ C Corporation
 - ☐ Subchapter S
 - ☐ Publicly Held (Registered with the Securities & Exchange Commission and Traded on a National Stock Exchange)
- **State in which Incorporated:** _____ **Date Incorporated:** _____
- **Is the corporation registered with the Montana Secretary of State to do business in Montana?**
☐ Yes ☐ No ☐ N/A
- **Is the corporation in good standing with the Secretary of State?**
☐ Yes ☐ No If No, explain: _____
- **Identify address where corporate organization records are maintained.**

Management Information

B. Provide the following information for each management employee. Attach management agreement if applicable:

☐ N/A

Name	Address	Phone	Date of Birth	Social Security Number	Salary

Note: Each individual listed above must submit with this application a personal history statement, Form 10 and Authorization for Examination and Release of Information (Form 1).

C. Provide the information requested below for each:

Check appropriate box (Use additional paper if necessary)

- | | |
|------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|
| <input type="checkbox"/> Individual/Sole Proprietor | <input type="checkbox"/> Shareholder owning 5% or more of the stock of a publicly traded corporation |
| <input type="checkbox"/> General or <input type="checkbox"/> Limited Partner | <input type="checkbox"/> Person(s) and/or committee managing the gambling activity under a |
| <input type="checkbox"/> Limited Liability Company (Member of...) | 26 U.S.C. 501 (c)(3), (c)(4),(8) or (c)(19) organization |
| <input type="checkbox"/> Officer of a Corporation | <input type="checkbox"/> Person(s) holding an option to purchase the business or any interest in the business |
| <input type="checkbox"/> Director of a Corporation | <input type="checkbox"/> Other |
| <input type="checkbox"/> Shareholder of a Corporation | |

Legal Name (First, M.I., Last)	Address	Title	Date of Birth	Social Security Number	Percentage of Shares	Number of Shares

Note: (Each individual listed above must submit with this application a personal history statement, (Form 10), and Authorization for Examination and Release of Information, (Form 1.) Use additional sheet of paper if necessary.

Section II

Ownership Information Checklist

To ensure you complied with the attachment requirements, the following checklist is provided for all entities. Note: Failure to provide all applicable documentation will delay the processing of this application.

- ☐ Copy of Partnership Agreement documentation
- ☐ Copy of Articles of Incorporation and Amendments or Addendums thereto
- ☐ Copy of Bylaws and Amendments or Addendums thereto
- ☐ Copy of Certificate of Fact (LLC's and LLP's)
- ☐ Copy of Stock Certificates, All Corporate Minutes and Attachments thereto, Stock Ledger or Register and Limited Liability Company Organizational Information
- ☐ Copy of Certificate of Existence (for Montana corporations)
- ☐ Copy of Authority to conduct Business in Montana (for out-of-state corporations)
- ☐ Authorization for Examination and Release of Information
- ☐ Form 1 - All Operator License Applications
- ☐ Personal History Statement(s) (Form 10)
- ☐ Copies of Lease, Rent, Purchase Option and Financing Agreements
- ☐ Copy of documentation from the Secretary of State's office showing approval of assumed business name

Management Information Checklist

To ensure you complied with the attachment requirements, the following checklist is provided for all entities. Note: Failure to provide all applicable documentation will delay the processing of this application.

- ☐ Copy of Employment, Management and Other Agreement(s) and Contract(s)
- ☐ Authorization for Examination and Release of Information (Form 1)
- ☐ Personal History Statement(s) on all Management Personnel (Form 10)

Section III

Financial Information

A. Financial Or Ownership Interest:

(Use additional paper if necessary.)

1. Does any person listed in Section II, Subsection "C" have a financial or ownership interest in any other gambling activity or enterprise.

☐ Yes ☐ No If yes, identify below

Individual(s) Name	Name of Enterprise	Address

2. Do any of the individuals listed in Section II, Subsection "C" have family members with a financial or ownership interest in any other gambling activity or enterprise? (Include spouse, parents, children, brothers/sisters)

☐ Yes ☐ No If yes, identify below

Individual(s) Name	Name of Enterprise	Address	Indicate Gambling/Other

3. Do any persons or entities, other than those listed in Section II, Subsection "C", have any financial or ownership interest in, derive income from, or have liabilities associated with the business proposed for licensing?

(This must include, but is not limited to, any person or entity who has a right or obligation to share in the profits or be associated with a gambling operation (including, but not limited to, assignees, landlords, etc.) or to whom any interest or share of profits has been pledged as security for the performance of a contract or sale related to the business proposed for licensing.

☐ Yes ☐ No If yes, identify below.

Individual(s) Name	Name of Enterprise	Address

4. Has the applicant or any owner, partner, shareholder, LLC or LLP member, officer or director ever been issued a gambling license by any other agency, state, nation or jurisdiction?

☐ Yes ☐ No If yes, identify below

Individual(s) Name	Type of License	License Number	State/City/County/ Country/Date

5. Has the applicant or any owner, partner, shareholder, LLC or LLP member, officer or director ever been denied an alcoholic beverage or gambling license or had adverse action taken against an existing license by any agency, state, nation or jurisdiction? If yes, describe in detail the nature of the violation and resulting adverse action.

Fined ☐ Yes ☐ No _____
 Denied ☐ Yes ☐ No _____
 Suspended ☐ Yes ☐ No _____
 Revoked ☐ Yes ☐ No _____
 Other Action or Action Pending ☐ Yes ☐ No _____

If Yes, list agency, location and date when license action was taken.

Individual(s) Name	Type of License	License No.	State/City/County/ Country/Date

6. Has the applicant or any owner, partner, shareholder, LLC or LLP member, officer or director ever filed for or been involved in bankruptcy (other than as a creditor)?

☐ Yes ☐ No If Yes, explain current status: _____

7. Provide the following information for all of the applicant's operating, investment or any other business account(s). (Example: saving and checking accounts)

Institution Name	Address	Phone	Account No.	Signatory(s)

8. Provide the following information for each outstanding loan and/or financial obligation (institutional or non-institutional) obtained or used for the purpose of operating/purchasing this business.

(Submit signed copies of all loans/agreements/contracts/notes/letter of commitment, and all related security agreements, guarantees and trust indentures. Note: NIL Form 13 must be filed with the application if any lenders or other sources of financing are not state or federally regulated financial institutions. All non-institutional lenders or sources of financing must also file a personal history statement, and an authorization for examination and release of information. If necessary, list additional sources of financing on a separate piece of paper.)

☐ N/A Check, if not applicable.

Creditor Name	Creditor Address	Loan Amount	Loan Number	Date Acquired	Date Due

9. Complete the following source of funding questions: ☐ N/A Check, if not applicable.

- a. Total transaction/purchase price for real and personal property associated with the proposed licensed business:
\$ _____
- b. Total amount paid at closing on the transaction listed in line a:
\$ _____
- c. Balance due in contractual payments regarding the transaction listed in line a minus the down payment in line b:
\$ _____
- d. List each source of funding for the amount listed in line b.

Amount	Source
\$ _____	
\$ _____	
\$ _____	
\$ _____	

10. Has the applicant filed a state and/or federal income tax return for the business?

☐ Yes ☐ No If Yes, submit a signed copy of applicant's most recent filed state and federal income tax returns.

Attach a copy of the applicant's most recent financial statements reflecting the business operation for which the application is being submitted. If the business is prospective or has been operating for less than one year, a balance sheet and an income statement must be estimated. Failure to supply adequate financial information will result in delay, denial or return of this application. You must include:

- a. A Balance Sheet (listing all assets, liabilities and owner equity in the business)
b. An Income Statement (list amounts and types of income and expenses for the business)

11. Are there any persons or business entities, that have an option to purchase any share of the business or property?

☐ Yes ☐ No If Yes, complete the following:

Seller	Purchaser

Note: Submit a copy of option agreement.

B. Name all Persons or Entities Listed on:

1. Lease Contracts:

☐ N/A

The Gambling Control Division will not approve a lease which provides for payment of a percentage of business revenue to any Lessor, except for a video gambling machine location agreement.

Lessor	Lessee

Note: Submit a copy of all lease and related security agreements associated with the business proposed for licensing.

2. Purchase Agreements:

☐ N/A

Submit copies of all purchase documents and related guarantees, mortgages, or security agreements associated with the business proposed for licensing, and all bills of sale, deeds or other documents reflecting title transfer of assets purchased.

Seller	Purchaser	Terms

3. Escrow Accounts:

☐ N/A

Submit copies of all escrow agreements and supporting documents.

Escrow Agent	Payee	Beneficiary

C. Licensed Business Asset Ownership:

Does any person or entity other than the applicant own any assets associated with the licensed business?

☐ Yes

☐ No

If Yes, complete the following:

Assets Approximate Value	Owner(s)

Note: Ownership of an asset utilized in the licensed business by any person or entity other than the applicant requires submission of a written lease and identification of the lease relationship in Section III, Subsection "B."

D. Record Keeping:

- a. Who maintains the applicant's financial business records? (Full Name, Address, Phone)

- b. Who prepares the tax returns, government forms and reports for the applicant? (Full Name, Address, Phone)

- c. Where are the financial books and records for the applicant's business kept? (Address, Phone)

E. Are there any unsatisfied civil judgments against the applicant or any persons or entities listed in Section II, Subsection "C" at this time?

☐ Yes ☐ No If Yes, explain.

F. Has the applicant or any persons or entities listed in Section II, Subsection "C" ever been a party to a lawsuit, either as a plaintiff or defendant, if so, provide a detail of each.

☐ Yes ☐ No If Yes, explain.

Section III

Financial Information Checklist

To ensure you complied with the attachment requirements, the following checklist is provided for all entities.

Note: Failure to provide all applicable documentation will delay the processing of this application.

- ☐ Copy of Loan of Agreement(s), Contracts and Notes and All Related Security Agreements
- ☐ Copies of Lease, Rent, Purchase Option and Financing Agreements
- ☐ Financial Statement(s) (Example: Balance sheet and income statement or tax return for the business)
- ☐ Purchase/Transfer Documents
- ☐ Copy of Bank Signature Card for Business Bank Account
- ☐ Authorization for Examination and Release of Information, Form 13 - Non-institutional Lender Only
- ☐ Personal History Statements for Non-institutional Lender Only
- ☐ Other, if Applicable

Section IV

Gambling Device Information

A. Provide a list of gambling devices manufactured, distributed, routed, sold or supplied by this business. (Use additional paper if necessary)

Business Name	Operator License No.	Address of Business

Gambling Device Information

To ensure you have complied with the attachment requirements, the following checklist is provided.

- ☐ Completed list of gambling devices manufactured, distributed, routed, sold or supplied.

Section VII

Declaration and Affidavit

I declare under the penalties of false swearing and/or the revocation of any licenses granted pursuant hereto, that I am the applicant or duly authorized representative of the firm or corporation mailing this application and that I examined the application, including any accompanying information, and that the responses are true, correct and complete. I understand if this application or attachment(s) contains false information, I am subject to the criminal penalties of Section 45-7-202, 45-7-203 and 45-7-208, Montana Code Annotated, and/or revocation of any alcoholic beverage or gambling licenses granted pursuant to this application.

STATE OF MONTANA)
)
County of _____)

_____, being duly sworn, if for himself or herself, deposes and says, that he/she is the applicant above named; or that he/she is _____ of the above named corporation; that he/she has read the foregoing application and attachments and that he/she knows the contents thereof, and that all matters and things therein set forth are true and correct.

Print Full Name

Signature

Date

Notary Seal

On this _____ day of _____ 20 _____
Personally appeared _____
Before me a Notary Public for the State of _____

(Notary Signature)

(Print Name of Notary)
My Commission Expires _____ (Month, Day & Four Digit Year)

This application must be completed in full, and all requested attachments must accompany it. Delay, denial or the return of the application will result if incomplete.

**Additional Information May Be Required During the
Investigation of Your License Application**